

AUTHORIZING A PAYMENT TO THE GOVERNMENT OF  
JAPAN

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Mr. FULBRIGHT, from the Committee on Foreign Relations, submitted  
the following

## REPORT

[To accompany S. 2130]

The committee, having had under consideration the bill (S. 2130) to authorize a payment to the Government of Japan, report S. 2130 favorably and recommend that it pass.

## PURPOSE OF THE BILL

The bill authorizes a payment of \$6 million to the Government of Japan in full settlement of the claims of Japanese nationals who formerly resided in the Bonin Islands.

## BACKGROUND AND COMMITTEE ACTION

The Bonin Islands lie about 700 miles due south of Tokyo. During the war, the civilian population of the islands—about 7,000 Japanese nationals—were evacuated by the Japanese Government to the Japanese home islands. Although 135 persons were allowed to return at one point, the United States, since 1945, has repeatedly held that the Bonins should be closed to other settlement for "security reasons."

Article 3 of the Japanese Peace Treaty gives to the United States "the right to exercise all and any powers of administration, legislation, and jurisdiction over the territory and inhabitants of these islands, including their territorial waters."

Unfortunately, the former residents of the Bonins have not been successfully integrated into the Japanese economy, and it is necessary for the Japanese Government to provide them with assistance. Prime Minister Kishi, during his June 1957 visit to Washington, sought relief for the Bonin Islanders, pleading that the problem constituted a definite irritant in United States-Japanese relations. He favored

repatriation and, failing that, indemnification. Subsequently, it was decided that security requirements were such that even limited resettlement was out of the question. The problem then became one of indemnification. The Japanese Government originally requested \$12.5 million, but has agreed to accept \$6 million.

The Department of State and the Department of Defense agree that the former property holders of the Bonins have legitimate claims. The date from which the claims have been calculated is April 28, 1952, which is when the Japanese Peace Treaty took effect. Since the land has not been in use for many years, there was a problem in determining its value. It was decided to measure the claims by the average value of land in the Ryukyu Islands, another group of Japanese islands under U.S. administration. The figure adopted was \$1,060 per acre, and the total value of the land in question was estimated to be \$4 million. Interest at 6 percent per annum (standard for the area) was added to this, raising the total sum to about \$6 million.

Rather than having the U.S. Government adjudicate individual claims, which both State and Defense regard as unwise, it was recommended that the total amount be turned over to the Japanese Government in full satisfaction of the claims.

On July 27, the committee, sitting in executive session, heard testimony in support of the bill from J. Graham Parsons, Assistant Secretary of State for Far Eastern Affairs; and Robert H. Knight, Acting Assistant Secretary of Defense for International and Security Affairs.

The judgment of the U.S. Government is that the overriding consideration in this matter is one of military security. According to Assistant Secretary Knight, "The Department of Defense considers that the unrestricted use of these islands is essential for the security purposes of the United States." The Bonins encompass only 45 square miles, and any resettlement of the area would circumscribe its usefulness as a military site of critical importance.

#### COMMITTEE RECOMMENDATIONS

The committee agrees that in these special circumstances repatriation of the former residents of the Bonin Islands is not advisable; that in order to avoid a noxious political problem—indeed, a situation that could undermine our position in the Bonin Islands—the proposed \$6 million indemnity should be paid to the Japanese Government. Thus, the committee urges the approval of S. 2130 by the Senate.

